

AN ACT in relation to municipalities.

Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:

Section 5. The Official Bond Payment Act is amended by  
changing Section 1 as follows:

(5 ILCS 270/1) (from Ch. 103, par. 16)

Sec. 1. The State or any county, township, municipality,  
or public board or body, whether organized under general or  
special Act, shall pay out of its funds the cost of any  
official bond furnished by any officer of the State, county,  
township, municipality, or public board or body required by  
its laws, rules, or regulations to execute the bond if the  
officer furnishes the bond with a surety company or companies  
authorized to do business in this State under the laws of  
this State and, if the surety on any official bond is not  
such a surety company or companies, the State, county,  
township, municipality, or public board or body shall pay out  
of its funds the cost of any bond or bonds indemnifying the  
surety against liability on the official bond. The total  
amount of the indemnity, however, must correspond to the  
total obligation of the surety on the official bond, and the  
indemnitor or indemnitors must be a company or companies  
authorized by the laws of this State to execute the  
indemnifying bond or bonds. A county that has elected to  
self-insure under Section 9-103 of the Local Governmental and  
Governmental Employees Tort Immunity Act may also elect to  
self-insure with respect to official bonds and shall, thus,  
satisfy the requirements of this Section. A township located  
in a county with the township form of government and a road  
district comprised of that township may jointly obtain, from  
a risk management pool of townships, any official bonds

required by law to be furnished by officers of the township or road district. A road district located in a county without the township form of government may obtain, from a risk management pool of townships and road districts, any official bonds required by law to be furnished by officers of the road district. A municipality may obtain, from a risk management pool of municipalities, any official bonds required by law to be furnished by officers of the municipality.

(Source: P.A. 87-738; 88-360.)

Section 99. Effective date. This Act takes effect on January 1, 2004.